

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



**CORRECTED
FISCAL NOTE**

HJR 729

March 16, 2012

SUMMARY OF BILL: Requests members of the Tennessee Congressional delegation to introduce legislation requiring the U.S. Secretary of the Interior to convey all right, title, and interest in the Dale Hollow National Fish Hatchery and the Erwin National Fish Hatchery to the state of Tennessee, without reimbursement. Requires certified copies be transmitted to the Speaker of the House of Representatives, the President of the Senate of the United States Congress, and to each member of the Tennessee Congressional delegation, and requests this resolution be officially entered in the *Congressional Record*.

ESTIMATED FISCAL IMPACT:

On March 6, 2012, a fiscal note was issued estimating a fiscal impact as follows:

NOT SIGNIFICANT

Due to incomplete information, the fiscal impact was in error. Based on information received by the Tennessee Wildlife Resources Agency, the fiscal impact is as follows:

(CORRECTED)

Other Fiscal Impact – The estimated fiscal impact of the provisions of the resolution is not significant. If the right, title, and interest in the hatcheries are transferred to the state, there will be a net recurring increase in state expenditures exceeding \$917,600. There will also be a one-time increase in state expenditures of \$449,000.

Assumptions:

- The resolution requests the United States to transfer all right, title, and interest in the hatcheries to the state of Tennessee without reimbursement. The fiscal impact to state expenditures from this transfer is estimated to be not significant.
- Any increase in state expenditures to prepare and transmit copies of this resolution to the named individuals will be not significant.
- In the event all right, title, and interest in the Dale Hollow National Fish Hatchery (DHNFH) and Erwin National Fish Hatchery (ENFH) are conveyed to Tennessee, it is estimated there will be an increase in state expenditures for all operation and maintenance of the hatcheries.
- According to the Tennessee Wildlife Resources Agency (TWRA), operation and maintenance of DHNFH and ENFH will require the hiring of ten employees. Six will be


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employed at DHNFH and four at ENFH. TWRA will require two manager level 2 positions, two manager level 1 positions, four technician level 2 positions, and two technician level 1 positions.

- The recurring increase in state expenditures for ten positions is \$481,514 (\$339,096 salaries + \$142,418 benefits).
- According to TWRA, the one-time purchasing of new trucks and hauling tanks will be required for operation and maintenance of the hatcheries. Two 2-ton trucks and hauling tanks at \$124,000 [(\$45,000 truck cost + \$17,000 tank cost) x 2], four 1.5-ton trucks and hauling tanks at \$208,000 [(\$42,000 truck cost + \$10,000 tank cost) x 4], two 1-ton trucks and hauling tanks at \$92,000 [(\$41,000 truck cost + \$5,000 tank cost) x 2], and one 0.5-ton truck at \$25,000 which requires no hauling tank.
- The total one-time increase in state expenditures for the purchasing of trucks is estimated to be \$449,000 (\$124,000 + \$208,000 + \$92,000 + \$25,000).
- Based on information provided by TWRA, the total recurring increase in state expenditures for annual maintenance for the trucks is estimated to be \$94,800 [(\$10,800 annual cost for 2-ton, 1.5-ton, and 1-ton trucks x 8 trucks) + \$8,400 cost for one 0.5-ton truck].
- According to TWRA, the cost of maintenance, feed, utilities, and other operations at the Buffalo Springs Hatchery is \$176,500.
- According to TWRA, the Buffalo Springs Hatchery produces 125,000 pounds of annual production. It is estimated that DHNFH will have an annual production twice that of Buffalo Springs and ENFH is estimated to produce half of the production of Buffalo Springs.
- The recurring increase in state expenditures for maintenance of DHNFH is estimated to be \$353,000 (\$176,500 Buffalo Springs cost x 2), and the recurring increase in state expenditures regarding maintenance for ENFH is estimated to be \$88,250 (\$176,500 Buffalo Springs cost x 0.5).
- It is assumed there will be a recurring decrease in state expenditures for all costs currently paid to the federal government that are associated with the purchase of fish and eggs from the hatcheries. A precise estimate cannot be determined; however, the recurring decrease in state expenditures is reasonably estimated to be \$100,000.
- The total recurring net increase in state expenditures for costs associated with the staffing, operation, and maintenance of the DHNFH and ENFH is estimated to be \$917,564 [(\$481,514 employment + \$94,800 annual truck maintenance + \$353,000 DHNFH annual operation cost + \$88,250 ENFH annual operation cost) - \$100,000].

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Lucian D. Geise, Executive Director

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